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decision to discontinue active pursuit of conditional approval or approval of such MUMS drug. FDA must terminate the designation upon such notification.

- (b) A conditionally-approved or approved MUMS-designated drug sponsor must notify FDA at least 1 year before it intends to discontinue the manufacture of such MUMS drug. FDA must terminate designation upon such notification.
- (c) MUMS designation shall terminate upon the expiration of any applicable period of exclusive marketing rights under this subpart.
- (d) FDA may terminate designation if it independently determines that the sponsor is not actively pursuing conditional approval or approval with due diligence. At a minimum, due diligence must be demonstrated by:
- (1) Submission of annual progress reports in a timely manner in accordance with §516.30 that demonstrate that the sponsor is progressing in accordance with the drug development plan submitted to the agency under §516.20 and
- (2) Compliance with all applicable requirements of part 511 of this chapter.
- (e) Designation of a conditionally approved or approved MUMS-designated drug and the associated exclusive marketing rights may be terminated if the sponsor is unable to provide sufficient quantities of the drug to meet the needs for which it is designated.
- (f) FDA may also terminate MUMS-drug designation for any drug if the agency finds that:
- (1) The request for designation contained an untrue statement of material fact; or
- (2) The request for designation omitted material information required by this subpart; or
- (3) FDA subsequently finds that the drug in fact had not been eligible for MUMS-drug designation at the time of submission of the request;
- (4) The same drug, in the same dosage form, for the same intended use becomes conditionally approved or approved for another sponsor; or
- (5) FDA withdraws the conditional approval or approval of the application for the new animal drug.
- (g) For a conditionally approved or approved drug, termination of MUMS-drug designation also terminates the

sponsor's exclusive marketing rights for the drug but does not withdraw the conditional approval or approval of the drug's application.

- (h) Where a drug has been MUMS-designated for a minor use in a major species, its designation will not be terminated on the grounds that the number of animals to which the drug could potentially be administered on an annual basis for the treatment, control, or prevention of the disease or condition for which the drug is being developed, including animals administered the drug as part of herd or flock treatment, subsequently increases.
- (i) When a MUMS-drug designation is terminated, FDA will notify the sponsor in writing and will give public notice of the termination of the MUMSdrug designation.

§516.30 Annual reports for a MUMSdesignated drug.

Within 14 months after the date on which a MUMS drug is granted designation and annually thereafter until approval, the sponsor of a MUMS-designated drug shall submit a brief progress report on the drug to the investigational new animal drug file addressed to the Director of the Office of Minor Use and Minor Species Animal Drug Development that includes the following information:

- (a) A short account of the progress of drug development including a description of studies initiated, ongoing, and completed, and a short summary of the status or results of such studies;
- (b) A description of the investigational plan for the coming year, as well as any anticipated difficulties in development, testing, and marketing; and
- (c) A brief discussion of any changes that may affect the MUMS-designated drug status of the product. For example, situations in which testing data demonstrate that the proposed intended use is inappropriate due to unexpected issues of safety or effectiveness.

§516.31 Scope of MUMS-drug exclusive marketing rights.

(a) After conditional approval or approval of an application for a MUMS-designated drug in the dosage form and for the intended use for which MUMS-

drug designation has been granted, FDA will not conditionally approve or approve another application or abbreviated application for the same drug in the same dosage form for the same intended use before the expiration of 7 years after the date of conditional approval or approval as stated in the approval letter from FDA, except that such an application can be conditionally approved or approved sooner if, and at such time as, any of the following occurs:

- (1) FDA terminates the MUMS-drug designation and associated exclusive marketing rights under §516.29; or
- (2) FDA withdraws the conditional approval or approval of the application for the drug for any reason; or
- (3) The sponsor with exclusive marketing rights provides written consent to FDA to conditionally approve or approve another application before the expiration of 7 years; or
- (4) The sponsor fails to assure a sufficient quantity of the drug in accordance with section 573 of the act and §516.36.
- (b) If an application for a MUMS drug cannot be approved until the expiration of the period of exclusive marketing of a MUMS-designated drug, FDA will so notify the sponsor in writing.

§516.34 FDA recognition of exclusive marketing rights.

- (a) FDA will send the sponsor (or the permanent-resident U.S. agent, if applicable) timely written notice recognizing exclusive marketing rights when an application for a MUMS-designated drug has been conditionally approved or approved. The written notice will inform the sponsor of the requirements for maintaining MUMS-designated drug exclusive marketing rights for the full 7-year term. This notice will generally be contained in the letter conditionally approving or approving the application.
- (b) When an application is conditionally approved or approved for a MUMS-designated drug that qualifies for exclusive marketing rights, FDA will publish this information in the FEDERAL REGISTER at the time of the conditional approval or approval. This notice will generally be contained in

the notice of conditional approval or approval of the application.

§ 516.36 Insufficient quantities of MUMS-designated drugs.

- (a) Under section 573 of the act, whenever FDA has reason to believe that sufficient quantities of a conditionally-approved or approved, MUMS-designated drug to meet the needs for which the drug was designated cannot be assured by the sponsor, FDA will so notify the sponsor of this possible insufficiency and will offer the sponsor the following options, one of which must be exercised by a time that FDA specifies:
- (1) Provide FDA information and data regarding how the sponsor can assure the availability of sufficient quantities of the MUMS-designated drug within a reasonable time to meet the needs for which the drug was designated; or
- (2) Provide FDA in writing the sponsor's consent for the conditional approval or approval of other applications for the same drug before the expiration of the 7-year period of exclusive marketing rights.
- (b) If, within the time that FDA specifies, the sponsor fails to consent to the conditional approval or approval of other applications and if FDA finds that the sponsor has not shown that it can assure the availability of sufficient quantities of the MUMS-designated drug to meet the needs for which the drug was designated, FDA will issue a written order terminating designation of the MUMS drug and the associated exclusive marketing rights. This order will state FDA's findings and conclusions and will constitute final agency action. An order terminating designation and associated exclusive marketing rights may issue whether or not there are other sponsors that can assure the availability of alternative sources of supply. Such an order will not withdraw the conditional approval or approval of an application. Once terminated under this section, neither designation, nor exclusive marketing rights may be reinstated.